



Substitute House Bill No. 6190

Public Act No. 09-33

***AN ACT CONCERNING CONFIDENTIALITY OF CERTAIN
EMPLOYER DATA.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 31-254 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2009*):

(a) (1) Each employer, whether or not otherwise subject to this chapter, shall keep accurate records of employment as defined in subsection (a) of section 31-222, containing such information as the administrator may by regulation prescribe in order to effectuate the purposes of this chapter. Such records shall be open to, and available for, inspection and copying by the administrator or his authorized representatives at any reasonable time and as often as may be necessary. The administrator may require from any employer, whether or not otherwise subject to this chapter, any sworn or unsworn reports with respect to persons employed by him which are necessary for the effective administration of this chapter. Except as provided in subdivision (2) of this subsection and subsection (g) of this section, information obtained shall not be published or be open to public inspection, other than to public employees in the performance of their public duties, in any manner revealing the employee's or the employer's identity, but any claimant at a hearing before a

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commissioner shall be supplied with information from such records to the extent necessary for the proper presentation of his claim. Any employee of the administrator, or any other public employee, who violates any provision of this section shall be fined not more than two hundred dollars or imprisoned not more than six months or both and shall be dismissed from the service. Reports or records which have been required by the administrator and which have been used in computing benefit rights of claimants or in the determination of the amounts and rates of contributions shall be preserved by the administrator for a period of at least four years. Those records or reports required by the administrator which have not been used for the purpose of computing benefit rights or in the determination of the amounts or rates of contributions shall be preserved by the administrator for at least two and one-half years. Such records or reports may, after preservation for the minimum period required by this section, be destroyed by the administrator in his discretion, notwithstanding the provisions of section 11-8a. Notwithstanding any of the disclosure provisions of this chapter, the administrator shall provide upon request of the public agency administering the TANF and child support programs, any information in his possession relating to individuals: (A) Who are receiving, have received, or have applied for unemployment insurance; (B) the amount of benefits being received; (C) the current home address of such individuals; and (D) whether any offer of work has been refused and, if so, a description of the job and the terms, conditions, and rate of pay therefor. Notwithstanding any of the disclosure provisions of this chapter, the administrator shall provide, upon request of the Connecticut Student Loan Foundation, its officers or employees, any information in his possession relating to the current residence address or place of employment of any individual who has been determined by the Connecticut Student Loan Foundation to be in default on his student loan. Reimbursement for the cost of furnishing this information shall be made by the agency requesting the data in a manner prescribed by

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the administrator of this chapter.

(2) Any authorized user of the CTWorks Business System shall have access to any information required to be entered into such system by the federal Trade Adjustment Assistance program, established by the Trade Act of 1974, as amended by 19 USC 2271 et seq., provided the user enters into a written agreement with the administrator establishing safeguards to protect the confidentiality of any information disclosed to such user. Each authorized user shall reimburse the administrator for all costs incurred by the administrator in disclosing information to such user. Information contained in the system shall not be disclosed or redisclosed to any unauthorized user, except that aggregate reports from which individual data cannot be identified may be disclosed. Any person who violates any provision of this subdivision shall be fined not more than two hundred dollars or imprisoned not more than six months, or both, and shall be prohibited from any further access to information in the system.

(b) The Labor Department shall administer a state directory of new hires in accordance with this section. Not later than twenty days after the date of employment, each employer maintaining an office or transacting business in this state shall report the name, address and Social Security number of each new employee employed in this state to the Labor Department by forwarding to said department a copy of the Connecticut income tax withholding or exemption certificate completed by such employee or by any other means consistent with regulations the Labor Commissioner may adopt in accordance with chapter 54, except that employers reporting magnetically or electronically shall report new employees, if any, at least twice per month by transmissions not less than twelve nor more than sixteen days apart. Each such report shall indicate the name, address and state and federal tax registration or identification numbers of the employer. Such information shall be transmitted in a format prescribed by the

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Labor Commissioner. Such information shall be entered by the Labor Department in the state directory of new hires within five business days of receipt and may be used by the Labor Commissioner in accordance with his powers and duties but shall be confidential and shall not be disclosed except as provided in subsections (d) and (e) of this section and subsection (b) of section 31-254a.

(c) (1) For the purposes of this section, "employer" does not include any department, agency or instrumentality of the United States; or any state agency performing intelligence or counterintelligence functions, if the head of such agency has determined that reporting pursuant to this section with respect to the employee could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission. For the purposes of subsections (b) to (e), inclusive, of this section, the terms "employer" and "employee" shall include persons engaged in the acquisition and rendition, respectively, of independent contractual services, provided the expected value of such services for the calendar year next succeeding the effective date of the contract for such services, is at least five thousand dollars.

(2) An employer that has employees who are employed in this state and one or more other states and that transmits reports magnetically or electronically shall not be required to report to this state if such employer has designated another state in which it has employees to which it will transmit reports, provided such employer has notified the Labor Commissioner, in writing, as to which other state it has designated for the purpose of sending such reports.

(d) On a daily basis, in IV-D support cases, as defined in section 46b-231, the Department of Social Services shall compile a list of all individuals who are the subject of a child support investigation or action being undertaken by the IV-D agency, as defined in section 46b-231, and shall transmit such list to the Labor Department. The Labor Department shall promptly identify any new employee who is such an

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individual and said department shall transmit to the Department of Social Services the name, address and Social Security number of each new employee and the name, address and state and federal tax registration or identification numbers of the employer. The IV-D agency shall use such information to locate individuals for purposes of establishing paternity and establishing, modifying and enforcing child or medical support orders, and may disclose such information to any agent of such agency that is under contract to carry out such purposes. The Labor Commissioner shall require that confidentiality safeguards be part of the contracting agency's agreement with the Department of Social Services.

(e) On a biweekly basis, the Department of Social Services shall compile a list of individuals who are receiving public assistance under the temporary assistance for needy families, Medicaid, food stamp, state supplement and state-administered general assistance programs and shall transmit such list to the Labor Department. The Labor Department shall promptly identify any new employee who is such an individual and said department shall transmit to the Department of Social Services the name, address and Social Security number of each such new employee and the name, address and state and federal tax registration or identification numbers of the employer.

(f) The Department of Social Services shall reimburse the Labor Department for any costs included in carrying out the provisions of this section, including the cost of providing a toll-free facsimile number for employers required to report pursuant to subsection (b) of this section and section 31-254a. The Commissioner of Social Services and the Labor Commissioner shall enter into a purchase of service agreement which establishes procedures necessary for the administration of subsections (b) to (f), inclusive, of this section.

(g) (1) Notwithstanding any of the information disclosure provisions of this section, the administrator shall disclose information

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obtained pursuant to subsection (a) of this section to: [a] (A) A regional workforce development board, established pursuant to section 31-3k, to the extent necessary for the effective administration of the federal Trade Adjustment Assistance Program of the Trade Act of 1974, as amended from time to time, the federal Workforce Investment Act, as amended from time to time, and the state employment services program established pursuant to section 17b-688c for recipients of temporary family assistance, provided a regional workforce development board, enters into a written agreement with the administrator, pursuant to subdivision (2) of this subsection, concerning protection of the confidentiality of such information prior to the receipt of any such information; or (B) a nonpublic entity that is under contract with the United States Department of Labor to administer grants which are beneficial to the interests of the administrator, provided such nonpublic entity enters into a written agreement with the administrator, pursuant to subdivision (2) of this subsection, concerning protection of the confidentiality of such information prior to the receipt of any such information.

(2) [The] Any written agreement shall contain safeguards as are necessary to protect the confidentiality of the information being disclosed, including, but not limited to a:

(A) Statement from the regional workforce development board or nonpublic entity, as appropriate, of the purposes for the requested information and the specific use intended for the information;

(B) Statement from the regional workforce development board or nonpublic entity, as appropriate, that the disclosed information shall only be used for such purposes as are permitted by this subsection and consistent with the written agreement;

(C) Requirement that the regional workforce development board or nonpublic entity, as appropriate, store the disclosed information in a

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location that is physically secure from access by unauthorized persons;

(D) Requirement that the regional workforce development board or nonpublic entity, as appropriate, store and process the disclosed information maintained in an electronic format in such a way that ensures that unauthorized persons cannot obtain the information by any means;

(E) Requirement that the regional workforce development board or nonpublic entity, as appropriate, establish safeguards to ensure that only authorized persons, including any authorized agent of the board, are permitted access to disclosed information stored in computer systems;

(F) Requirement that the regional workforce development board or nonpublic entity, as appropriate, enter into a written agreement, that has been approved by the administrator, with any authorized agent of the board or nonpublic entity, which agreement shall contain the requisite safeguards contained in the written agreement between the board or nonpublic entity and the administrator;

(G) Requirement that the regional workforce development board or nonpublic entity, as appropriate, instruct all persons having access to the disclosed information about the sanctions specified in this section, and further require each employee of such board or nonpublic entity, and any agent of such board or nonpublic entity, authorized to review such information, to sign an acknowledgment that he or she has been advised of such sanctions;

(H) Statement that redisclosure of confidential information is prohibited, except with the written approval of the administrator;

(I) Requirement that the regional workforce development board or nonpublic entity, as appropriate, dispose of information disclosed or obtained under this subsection, including any copies of such

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information made by the board or nonpublic entity, after the purpose for which the information is disclosed has been served, either by returning the information to the administrator, or by verifying to the administrator that the information has been destroyed;

(J) Statement that the regional workforce development board or nonpublic entity, as appropriate, shall permit representatives of the administrator to conduct periodic audits, including on-site inspections, for the purpose of reviewing such board's or nonpublic entity's adherence to the confidentiality and security provisions of the written agreement; and

(K) Statement that the regional workforce development board or nonpublic entity, as appropriate, shall reimburse the administrator for all costs incurred by the administrator in making the requested information available and in conducting periodic audits of the board's or nonpublic entity's procedures in safeguarding the information.

(3) Any employee or agent of a regional workforce development board or nonpublic entity, as appropriate, who discloses any confidential information in violation of this section and the written agreement, entered into pursuant to subdivision (2) of this subsection, shall be fined not more than two hundred dollars or imprisoned not more than six months, or both, and shall be prohibited from any further access to confidential information.

Approved May 20, 2009